



American Gilsonite Company

Bonanza, UT 84008 • Phone (801) 789-1921
FAX (801) 780-1956

Bonanza Mining Operations

DOGM
MINERALS PROGRAM
FILE COPY

January 28, 1992

Mr. Anthony A. Gallegos, Reclamation Engineer
UTAH DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RECEIVED

FEB 05 1992

DIVISION OF
OIL GAS & MINING

M/047/010

Dear Mr. Gallegos:

In our recent telephone conversation you indicated that you had a concern about our reclamation bonding. I am writing to update you on that situation.

Upon receipt of the escalated amount of the bond American Gilsonite Company made application to several securities companies and have supplied financial information to them. We are awaiting responses to our applications from all parties. American Gilsonite intends to replace the bond and is moving as quickly as possible to do so.

Should you have any questions please contact me at 789-1921, extension 60.

Sincerely,

Terry Tilley

Terry Tilley
Plant Superintendent